

Date	Type of loan
500 Place d'Armes, 22 <sup>nd</sup> floor, Montreal, Quebec, H2Y 2W3 Address of the branch	Loan number
Name of the borrower	Address of the borrower
Name of the co-borrower(s)	Address of the co-borrower(s)

The information below constitutes the cost of borrowing disclosure statement required under section 450 of the *Bank Act* with respect to your loan.

Please note that **if you have received the present cost of borrowing disclosure statement with the credit application, this declaration is based on an assumption or an estimate**, meaning that it is based on the terms and conditions (ex. principal, term and amortization period, minimum payments, interest rate) that appear in your credit application. **If you have received this declaration with your welcome letter, it contains the definitive details assuming** (i) that the terms and conditions confirmed will not change and (ii) that you will respect your obligations towards the National Bank of Canada ("the Bank") with respect to your loan.

**INFORMATION BOX**

<b>Principal Amount</b>	\$ _____
<b>Annual Interest Rate</b>	_____% per annum Interest accrues from the date of each advance obtained under the loan. Interest is calculated monthly, every two weeks or weekly, in accordance with the frequency chosen for your payments, on the daily balance of your loan and charged to your account at the calculation date.
<b>Determination of Interest</b>	$\text{_____ \%} \quad \text{_____ \%} = \text{_____ \%}$ <p style="text-align: center;">Prime rate* as of today      (+/-)      spread      Annual Interest Rate</p> <p>*The prime rate means the annual interest rate published by the Bank from time to time and used by the Bank to determine the interest rate on loans granted by the Bank in Canadian dollars in Canada.</p> <p>The interest rate is adjusted with each variation to the prime rate of the Bank.</p>
<b>Annual Percentage Rate</b>	Your annual percentage rate of the cost of borrowing corresponds to your annual interest rate as your cost of borrowing is composed solely of interest.
<b>Term</b>	_____ months with an open term (repayable at any time without penalty).

<b>Date of Advance</b>	<p>_____ / _____ / _____  Year                      Month                      Day</p> <p>This is the date on which the principal on your loan will be advanced and interest will begin to accrue.</p>
<b>Payments</b>	<p>Your payments are \$ _____ each.</p> <p>Your payments are comprised of:</p> <p><input type="checkbox"/> interest only  <input type="checkbox"/> a portion of principal and of accrued interest</p> <p>Your payments are payable:</p> <p><input type="checkbox"/> monthly  <input type="checkbox"/> every two weeks  <input type="checkbox"/> weekly</p> <p>Date of first payment: _____ / _____ / _____  Year                      Month                      Day</p>
<b>Amortization Period</b>	<p>_____ months  If you are entitled to deferred payments, the amortization period will begin upon the date of the advance.</p>
<b>Prepayment Privilege</b>	<p>You may prepay, in whole or in part, the outstanding balance of your loan at any time.</p>
<b>Prepayment Charges</b>	<p>None</p>
<b>Default Insurance</b>	<p>Not applicable</p>
<b>Other Fees</b>	<p><b>The following fees currently apply:</b>  Fee for a copy of a previously issued statement: \$ _____</p>

**COST OF BORROWING DISCLOSURE STATEMENT UNDER SECTION 450 OF THE BANK ACT**

<b>Principal Amount</b>	<p>\$ _____</p>
<b>Date of the Advance</b>	<p>_____ / _____ / _____  Year                      Month                      Day</p> <p>This is the date on which the principal on your loan will be advanced and interest will begin to accrue.</p>

<b>Total Amount of All Payments</b>	<p>\$ _____. This is the total amount of all payments of principal and interest that you will make until the term of your loan.</p> <p>This amount is based on the interest rate in effect today and may vary due to fluctuations in the annual interest rate established in accordance with the prime rate of the Bank indicated below in force from time to time.</p>
<b>Total Cost of Borrowing for the Term of the Loan</b>	<p>\$ _____. This is the total borrowing cost you will have to pay over the term of your loan. This amount is based on the interest rate in effect today and may vary due to fluctuations in the annual interest rate established in accordance with the prime rate of the Bank indicated below in force from time to time.</p>
<b>Term and Amortization Period</b>	<p>Your loan is for _____ months with an open term (repayable at any time without penalty). You must repay your loan in full, in principal and interest, at the expiry of this term.</p> <p>The amortization period of your loan is _____ months. This is the number of months required to repay your loan in full based on the frequency and the amount of your payments indicated below as well as the interest rate indicated and the period of deferred payments, if applicable, indicated below. If you are entitled to deferred payments, this amortization period will begin upon the date of the advance.</p>
<b>Annual Interest Rate</b>	<p>Prime rate + _____% per annum.</p> <p>As at the date hereof, the prime rate is _____% per annum and the variable annual interest rate applicable to your loan is _____% per annum.</p> <p>*The prime rate means the annual variable interest rate published by the Bank from time to time and used to determine the interest rate on loans granted in Canada in Canadian dollars.</p> <p>The interest rate is adjusted with each variation to the prime rate of the Bank.</p> <p>The interest accrues from the date of each advance obtained under the loan. Interest is calculated monthly, every two weeks or weekly, in accordance with the frequency chosen for your payments, on the daily balance of your loan and charged to your account at the calculation date. Any interest not paid when due will bear interest at the rate mentioned above and will be calculated and compounded daily and will be payable immediately.</p>
<b>Annual Percentage Rate of the Cost of Borrowing</b>	<p>Your annual percentage rate of the cost of borrowing corresponds to your annual interest rate as your cost of borrowing is composed solely of interest.</p>
<b>Date from which Interest Accrues</b>	<p>The interest accrues from the date of each advance obtained under the loan. There are no grace periods, meaning that there are no interest-free periods.</p>
<b>Amount of Each Payment and When it is Due</b>	<p>Your payments are \$ _____ each.</p> <p>Your payments are comprised of:</p> <p><input type="checkbox"/> interest only</p> <p><input type="checkbox"/> a portion of principal and of accrued interest</p> <p>Your payments are payable:</p> <p><input type="checkbox"/> monthly</p> <p><input type="checkbox"/> every two weeks</p> <p><input type="checkbox"/> weekly</p> <p>Date of first payment: _____ / _____ / _____</p> <p style="text-align: center;">Year                      Month                      Day</p>

<b>Waiver of Payments (Deferred Payments) for RRSP loans only</b>	<p>If you are entitled to deferred payments for a period of</p> <p><input type="checkbox"/> 3 months</p> <p><input type="checkbox"/> 6 months,</p> <p>the interest continues to accrue during said period and is added to the balance of your loan. As a result, the accrued interest is capitalized.</p>
<b>Loan Repayable by Fixed Payments</b>	<p>If you have chosen to repay your loan by fixed payments:</p> <ul style="list-style-type: none"> <li>- Any increase in the Bank's prime rate may result in an increase in the amount of the fixed payments when the amount of the current payment is insufficient for the loan to be repaid within the amortization period indicated above. The Bank therefore reserves the right to modify the amount of your fixed payments at any time.</li> </ul> <p>For your information, if the annual interest rate exceeds _____% , the amount of your payment in principal and interest, as indicated above, will no longer cover the interest accrued for the period in question.</p> <ul style="list-style-type: none"> <li>- The amount of the fixed payment is calculated using an amortization period set in accordance with the Bank's standards, which is shorter than the amortization period indicated above. The higher fixed payment resulting from this calculation covers potential increases in the Bank's prime rate. Once your loan is paid in full, even if it is prior to the indicated amortization period, payments from your bank account designated for this purpose will cease.</li> </ul>
<b>Loan Repayable by Variable Payments</b>	<p>If you have chosen variable payments, the payment amount set forth in the <i>Amount of Each Payment and When it is Due</i> section has been calculated using the interest rate in effect today and may vary due to fluctuations in the annual interest rate established in accordance with the prime rate of the Bank indicated above in force from time to time.</p>
<b>Application of Payments</b>	<p>Each payment is allocated first to the accrued interest and then to the principal.</p>
<b>Fees for Optional Services</b>	<p>You will be informed of the applicable fees at the time you sign up for the selected services. The said fees may vary depending on the nature of the services requested.</p> <p>Please note that you may cancel any optional services you requested by providing the Bank with a written prior notice of thirty (30) days. After the cancellation date, the Bank will reimburse you any amount that you have paid in advance for said cancelled service.</p>
<b>Repayment Before Maturity</b>	<p>You may prepay, in whole or in part, the outstanding balance of your loan at any time without incurring any charge or penalty.</p>
<b>Default Charges</b>	<p>If you are in default toward the Bank with regard to your loan, including any default under the credit agreement and the security documentation, as the case may be, you agree to pay to the Bank all costs and expenses that it may reasonably incur in order to recover any unpaid amounts and to exercise its rights and remedies. If you are in default for any reason, you must pay the following amounts:</p> <ul style="list-style-type: none"> <li>- the amount of the missed payment as well as the interest on the principal and interest amount of the missed payment;</li> <li>- all costs, including legal fees and disbursements, which the Bank may reasonably incur in order to: (i) recover or attempt to recover the amount due (including by way of legal action), (ii) exercise its rights arising from the security provided to guarantee your obligations if applicable, or (iii) protect the property encumbered under said security;</li> <li>- the fees for processing a cheque or other instrument or debit that was given or made in repayment of the loan for which payment was refused; and</li> <li>- the interest, calculated using the rate then applicable to your loan, on any fees or expenses charged to you in accordance with your loan agreement.</li> </ul> <p>If a payment is late, the Bank will calculate, on a daily basis, the additional interest owing for being late, using the annual interest rate then applicable to your loan. You must pay the interest on both the principal and interest portion of the payment that is late without delay.</p> <p>If you are in default, the Bank can also call in the loan and demand from you the immediate payment of all monies owing to the Bank.</p>

<b>Collateral Description</b>	
<b>Other Fees</b>	<b>The following fees currently apply:</b> Fee for a copy of a previously issued statement: \$ _____